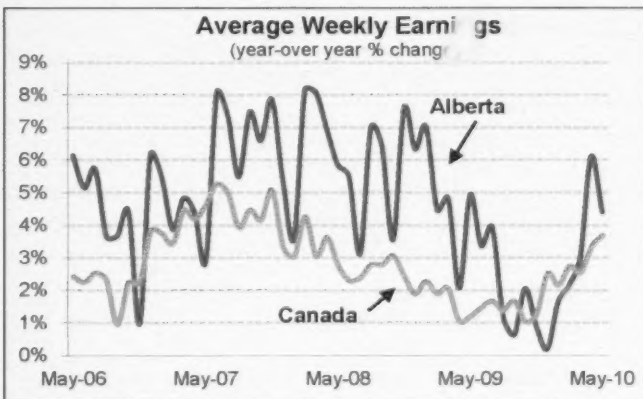


Average Weekly Earnings

Wages decline in May...

After four months of increases, average weekly earnings in Alberta fell 0.8% between April and May. Despite the decline, the May rate of \$985.17 per week (seasonally adjusted) continues to be the highest in the country, well above the national average of \$848.45 per week. On an industry basis, the strongest monthly gain was seen in information and cultural industries (5.1%), while earnings in mining and oil and gas extraction fell 2.9% month-over-month. Alberta's year-over-year wage growth has picked up in recent months, reaching 4.4% in May and is above the Canadian average of 3.7% for a third consecutive month.

Among the provinces, Nova Scotia recorded the strongest monthly gain in May of 1.0%, while Alberta and Newfoundland and Labrador posted the largest declines of 0.8%. On a year-over-year basis, all provinces recorded gains, with the fastest increase of 6.4% in Prince Edward Island. In level terms, Alberta and Ontario were the only provinces with higher earnings than the national average.



Rigs Drilling

Drilling activity picks up in July...

The average number of rigs drilling in Alberta rose to 199 in July (preliminary), an increase of 68.4% from June. Although drilling activity has not returned to the levels seen in 2005 and 2006, it has recovered significantly from the very depressed levels last year. On a year-over-year basis, the average number of rigs drilling has more than doubled from July 2009. Similarly, in the first seven months of this year, drilling activity is up 55.2% compared to the same period a year ago. However, activity in July was still lower than the 2000-2009 10-year average for July of 284 rigs.

Canadian Dollar (US\$/C\$)

July 30, 2010	97.18
July 23, 2010	96.40
2010-11 YTD	96.99

WTI Oil US\$/bbl

July 29, 2010	\$78.36
July 22, 2010	\$79.30
2010-11 YTD	\$77.62

Nymex Natural Gas C\$/MMBtu

Near-month Contract	
July 30, 2010	\$5.03
July 23, 2010	\$4.79

*Estimate based on Nymex Futures Market Price

Industrial Prices

Industrial prices decline slightly in June...

After two consecutive monthly advances, the Industrial Product Price Index decreased by 0.9% in June. Lower prices for petroleum and coal products (-2.3%) and primary metal products (-2.9%) were the major cause of the decrease. The Raw Materials Price Index also declined in June, down 0.3% on a month-over-month basis.

Canadian GDP

Canadian economic recovery slowing...

Canadian real GDP increased by a modest 0.1% in May, an improvement from the flat reading in April, but well below the strong gains seen in the early stages of the recovery. The expansion in May was fueled by a strong gain of 3.4% in mining, oil and gas extraction, its third consecutive increase, as both oil and natural gas production rose. Support activities for mining, oil and gas extraction continued to trend upward, with a 4.8% gain in May. The cooling in the housing market weighed on May's growth, as construction declined 1.6%, driven by a 3.8% drop in residential construction. While Canada's economy continued to grow in May, the recovery has lost some momentum in the second quarter, and coincides with the slowing US economic recovery.

US GDP

Economic recovery losing momentum...

US real GDP rose at an annualized pace of 2.4% in the second quarter, slightly below market expectations. This was following an upwardly revised 3.7% in the first quarter. Much of the strength emanated from business investment in machinery and equipment (22%) and residential investment (28%). However, growth was tempered by consumer spending, a crucial element of the economy, which slowed to 1.6% in the second quarter, from 1.9% in the first quarter.

Current Economic Indicators

Population	2008	2009	2010YTD*	Feb	Mar	Apr	May	June	July
Population ¹ (000's) (level)	3,596	3,688	3,707	--	--	3,725	--	--	--
% change	2.4	2.6	2.1	--	--	1.6	--	--	--
Net Interprovincial Migration ¹ (level)	15,317	23,006	-6,832	--	--	312	--	--	--
Net International Migration ¹ (level)	20,039	20,074	1,477	--	--	6,758	--	--	--
Net Non-permanent Residents ¹ (level)	18,536	19,058	-4,332	--	--	48	--	--	--
Labour Market									
Employment (000's)	2,013	1,988	1,984	1,973	1,969	1,979	1,994	2,000	--
% change	2.8	-1.3	-0.5	-1.0	-1.0	-0.4	0.3	0.6	--
Unemployment Rate (%)	3.6	6.6	7.0	6.9	7.5	7.4	6.6	6.7	--
Participation Rate (%)	74.7	74.3	73.3	73.0	73.2	73.4	73.2	73.3	--
Average Weekly Earnings (\$) NEW!	923.21	950.13	984.20	985.99	993.04	993.17	985.17	--	--
% change	6.0	2.9	3.4	2.1	3.0	6.1	4.4	--	--
Price Indices									
Consumer Price Index	3.1	-0.1	1.2	1.0	1.0	1.6	1.1	0.6	--
Excluding food and energy	2.1	1.4	1.0	1.3	0.8	1.4	0.9	0.7	--
Non-Res. Const. Cost Index ² (quarterly)	13.2	-9.8	-5.0	--	-5.0	--	--	--	--
Farm Product Price Index	11.5	-11.3*	--	--	--	--	--	--	--
Crops	26.7	-22.9*	--	--	--	--	--	--	--
Livestock	2.1	-0.8*	--	--	--	--	--	--	--
Household Sector									
Housing Starts (SAAR, 000's)	29.2	20.0	29.5	28.2	33.9	35.6	28.8	26.4	--
% change	-39.6	-31.6	101.9	139.0	164.8	176.0	101.4	30.0	--
New Housing Price Index	0.7	-9.0	-0.6	-1.4	-0.2	1.0	1.6	--	--
Edmonton	1.0	-11.2	-2.7	-3.3	-2.4	-1.0	-0.1	--	--
Calgary	0.6	-6.7	1.6	0.4	2.0	2.9	3.1	--	--
MLS Average Resale Prices (\$ 000's)	351.4	340.5	351.6	348.2	357.9	359.9	355.5	343.6	--
% change	-1.5	-3.1	6.8	5.1	10.3	7.7	7.1	4.0	--
Edmonton	330.8	319.1	323.5	327.6	341.4	332.1	317.9	299.2	--
% change	-2.0	-3.5	4.6	2.6	11.0	8.7	4.4	2.1	--
Calgary	401.1	384.3	399.3	395.1	398.2	401.3	411.5	403.7	--
% change	-2.9	-4.2	6.9	5.2	9.0	6.4	9.2	5.8	--
Retail Sales ³	0.2	-8.3	5.2	6.6	11.2	5.3	2.4	--	--
New Motor Vehicle Sales	-7.3	-21.7	8.6	24.0	15.3	6.9	4.7	--	--
Consumer Bankruptcies	6,066	9,986	2841	637	776	744	--	--	--
% change	27.2	64.6	-11.0	-9.8	-18.4	-11.2	--	--	--
Business Sector									
Rigs Drilling NEW!	236	128	183	339	219	62	56	118	199
% change	-2.1	-45.6	55.2	42.3	103.5	51.9	76.4	99.0	135.5
Goods Exports (customs based)	34.6	-37.3	21.8	19.6	18.5	27.8	50.1	--	--
Energy	42.5	-41.4	37.7	36.7	32.8	48.8	82.9	--	--
Agriculture	32.0	-10.2	-17.5	-20.1	-9.6	-27.6	-5.0	--	--
Total Farm Cash Receipts (quarterly)	17.2	-8.1	-17.3	--	-17.3	--	--	--	--
Manufacturing Shipments	7.0	-21.6	8.7	4.3	9.9	12.9	12.7	--	--
Wholesale Trade ⁴	9.5	-15.9	1.2	-2.1	6.3	5.5	7.7	--	--
Building Permits	-16.5	-14.2	17.4	69.1	41.4	28.1	-30.2	--	--
Residential	-31.5	-11.8	94.0	172.1	91.3	64.6	64.0	--	--
Non-residential	3.7	-16.3	-28.4	4.3	2.0	0.0	-72.3	--	--
Business Bankruptcies	447	405	142	30	48	37	--	--	--
% change	-0.4	-9.4	2.9	-31.8	54.8	54.2	--	--	--

Government of Alberta ■

Finance and Enterprise

Alberta ■

* YTD - year-to-date represents the change since the beginning of the year compared to the same period in the previous year.

¹ Quarterly; annual numbers are presented on a census year basis (July 1 - June 30).

² Average of Calgary and Edmonton

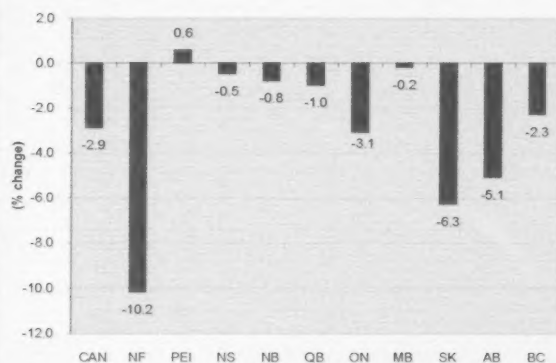
³ The Retail Sales series was revised on April 23, 2010 and is no longer comparable with numbers in previous Bulletins.

⁴ The Wholesale Trade series was revised on April 21, 2010 and is no longer comparable with numbers in previous Bulletins.

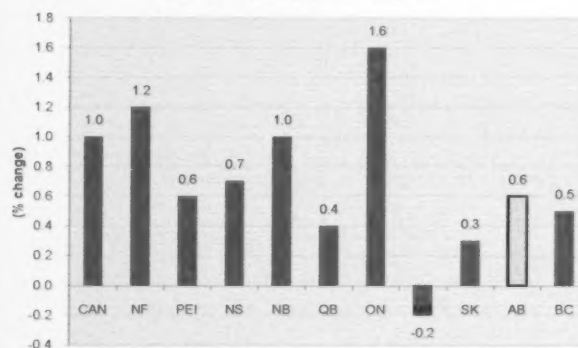
Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).

Current Economic Indicators by Province

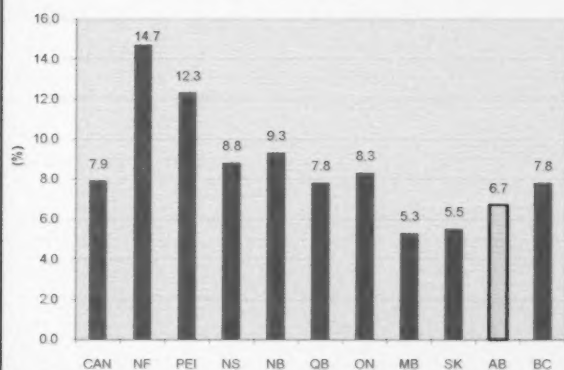
Real GDP Growth
(2009 year-over-year growth, preliminary estimate)



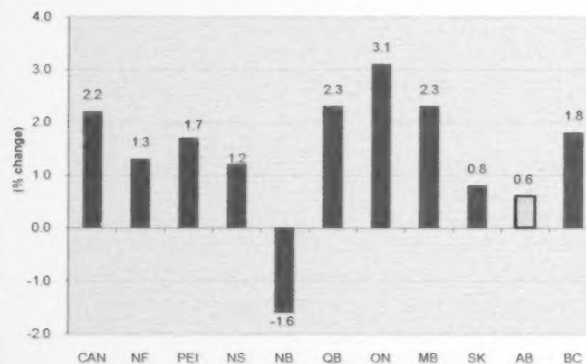
CPI Inflation
(June year-over-year % change)



Unemployment Rate
(June 2010, Seasonally Adjusted)

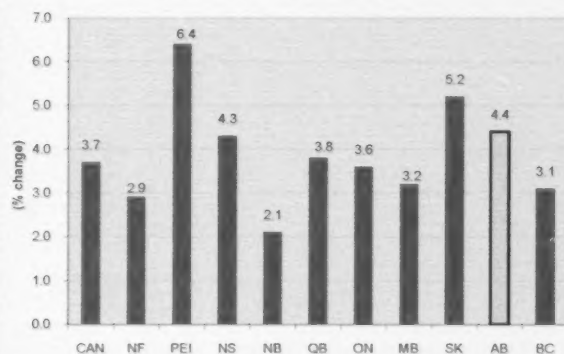


Employment
(June year-over-year growth)



NEW!

Average Weekly Earnings
(May year-over-year growth)



Housing Starts
(SAAR June 2010)

